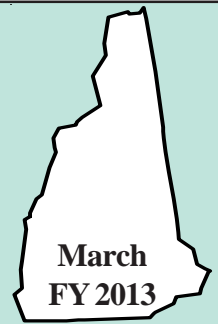


# State Of New Hampshire Monthly Revenue Focus

## Department of Administrative Services

Linda M. Hodgdon, Commissioner



### Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 13</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	\$ 616.1	\$ 589.5	\$ 26.6
<b>Highway</b>	\$ 20.0	\$ 20.3	\$ (0.3)
<b>Fish &amp; Game</b>	\$ 0.9	\$ 0.7	\$ 0.2

### Current Month

General & Education Funds	<i>FY 13 Actuals</i>	<i>FY 13 Plan</i>	<i>Actual vs. Plan</i>	<i>% Inc/(Dec)</i>
Business Profits Tax	\$ 57.7	\$ 50.2	\$ 7.5	14.9%
Business Enterprise Tax	40.3	31.0	9.3	30.0%
Subtotal Business Taxes	98.0	81.2	16.8	20.7%
Meals & Rentals Tax	16.5	16.6	(0.1)	-0.6%
Tobacco Tax	15.6	14.9	0.7	4.7%
Transfer from Liquor Commission	10.5	8.7	1.8	20.7%
Interest & Dividends Tax	4.6	2.6	2.0	76.9%
Insurance Tax	77.7	72.7	5.0	6.9%
Communications Tax	7.1	7.2	(0.1)	-1.4%
Real Estate Transfer Tax	4.2	4.2	-	0.0%
Court Fines & Fees	1.0	1.4	(0.4)	-28.6%
Securities Revenue	2.3	1.9	0.4	21.1%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	2.1	1.8	0.3	16.7%
Beer Tax	0.8	0.8	-	0.0%
Other	4.8	5.9	(1.1)	-18.6%
Transfer from Lottery Commission	5.4	5.5	(0.1)	-1.8%
Transfer from Racing & Charitable Gaming	0.4	0.3	0.1	33.3%
Tobacco Settlement	-	-	-	
Utility Property Tax	0.3	-	0.3	100.0%
State Property Tax	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	615.5	589.3	26.2	4.4%
Net Medicaid Enhancement Revenue	-	-	-	
Recoveries	0.6	0.2	0.4	200.0%
Total Receipts	\$ 616.1	\$ 589.5	\$ 26.6	4.5%

All funds reported on a cash basis, dollars in millions.

### Analysis

Total unrestricted revenue of the General and Education Funds for March totaled \$616.1 million, coming in above plan by \$26.6 million and above prior year by \$21.5 million. Year to date (YTD) receipts from traditional taxes (exclusive of MET and Recoveries) were \$19.4 million or 1.2% ahead of plan. Total YTD revenues (including MET) of \$1,659.4 million were below plan by \$14.5 million (.9%) but above prior year by \$47.8 million (3.0%).

**Business Tax** collections, net of refunds issued, for March totaled \$98.0 million, above the plan and prior year by \$16.8 million \$17.6 million, respectively. The Dept. of Revenue (DRA) reports that monies received this month with returns and extensions were 25% above March of last year and estimated payments were up 16%. Tax notice payments received increased \$3.9 million and refunds issued were \$5.2 million higher than prior year. DRA indicates that pending refund requests on hand total \$3.1 million which includes \$1.7 million of the remaining backlog reported last month. On a YTD basis, revenue from business taxes are above both plan and prior year by \$10.9 million (3.1%) and \$14.5 million (4.2%), respectively. As compared to prior year, DRA reports YTD receipts from returns & extensions are up 7% and estimates are up 2%.

**Net Meals and Rentals Tax (M&R)** receipts this month came in slightly below plan and prior year. DRA noted that several businesses along the sea-coast and southern regions of the state were forced to close due to major snowstorms during February. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 3% below prior year but YTD is tracking \$6.2 million or 3% above prior year.

**Tobacco Tax** revenue for the month of March was above plan by \$0.7 million and above prior year by \$1.0 million. Per DRA, although March stamp sales were 6% below prior year, cash collected on bonded sales increased this month versus March of the prior year. YTD Tobacco tax revenue is \$8.8 million (5.4%) below plan and \$5.6 million (3.5%) below prior year. The estimated YTD impact of the 7/1/11 tax rate reduction is approximately \$8.6 million.

**Transfers from Liquor Commission** were \$1.8 million above plan and \$2.1 million above prior year for the month. The Liquor Commission attributes these results to a boost in sales from a stronger late winter tourist/ski season, a strong Easter and sales of higher margin promotional-buy items. YTD transfers were 3.0% below plan but 4.9% above prior year.

**Interest & Dividends Tax (I&D)** collections came in above both plan and prior year for the month by \$2.0 million or 76.9%. DRA reports that monies received this month with returns and extensions were 120% above March of last year with estimate payments up 32%. DRA indicates that some of this increase may be related to earlier payments by taxpayers as tax forms were available earlier this year than last year. On a YTD basis, I&D is 12.8% above plan and 22.6% above prior year.

**Insurance Tax** receipts reported for the month were above plan by \$5.0 (6.9%) bringing YTD receipts to \$6.5 million (7.6%) above plan. According to the Insurance Dept. these favorable results were attributable to larger than projected premiums written and other favorable variances versus plan. It should be noted that \$2.0 million of March collections has been excluded from this report as the Insurance Dept. estimates that this amount is unearned, will not be recognized as fiscal 2013 revenue, and will be credited to 2014.

Continued on page 4

RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2			
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	7.9
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6	8.4	6.4
Mo over Mo	0.9	(1.6)	1.2	1.8	1.0	2.4	2.0	0.9	(0.1)			
% Mo over Mo	12%	-16%	16%	27%	14%	39%	25%	17%	-2%			
YTD change over Prior Year	0.9	(0.7)	0.5	2.3	3.3	5.7	7.7	8.6	8.5			
% YTD change	12%	-4%	2%	7%	9%	13%	15%	15%	14%			

Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY13	1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7			
FY12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5	4.1
FY11	3.4	0.9	3.5	5.2	6.1	2.5	15.0	3.5	3.3	2.1	2.7	2.2
Mo over Mo change	(0.1)	(0.1)	(1.7)	-	(3.3)	(2.9)	(3.0)	3.0	5.2			
YTD change	(0.1)	(0.2)	(1.9)	(1.9)	(5.2)	(8.1)	(11.1)	(8.1)	(2.9)			

M&R Analysis						
	March			YTD		
	FY 13	FY 12	Diff	FY 13	FY 12	Diff
Gross Collections	17.7	18.2	(0.5)	201.2	195.0	6.2
Bldg Aid Debt Svc Transfer	(1.2)	(1.2)	-	(10.8)	(10.9)	0.1
Net Revenue	16.5	17.0	(0.5)	190.4	184.1	6.3

## General & Education Funds Comparison to FY 12

General & Education Funds	Monthly			Year-to-Date			
	FY 13 Actuals	FY 12 Actuals	Inc/(Dec)	FY 13 Actuals	FY 12 Actuals	Inc/(Dec)	% Inc/(Dec)
Business Profits Tax	\$ 57.7	\$ 48.4	\$ 9.3	\$ 211.9	\$ 209.4	\$ 2.5	1.2%
Business Enterprise Tax	40.3	32.0	8.3	148.8	136.8	12.0	8.8%
Subtotal Business Taxes	98.0	80.4	17.6	360.7	346.2	14.5	4.2%
Meals & Rentals Tax	16.5	17.0	(0.5)	190.4	184.1	6.3	3.4%
Tobacco Tax	15.6	14.6	1.0	152.9	158.5	(5.6)	-3.5%
Transfer from Liquor Commission	10.5	8.4	2.1	99.7	95.0	4.7	4.9%
Interest & Dividends Tax	4.6	2.6	2.0	39.6	32.3	7.3	22.6%
Insurance Tax	77.7	71.5	6.2	92.3	83.1	9.2	11.1%
Communications Tax	7.1	6.9	0.2	47.8	59.0	(11.2)	-19.0%
Real Estate Transfer Tax	4.2	4.3	(0.1)	71.0	62.5	8.5	13.6%
Court Fines & Fees	1.0	1.4	(0.4)	9.6	10.2	(0.6)	-5.9%
Securities Revenue	2.3	2.0	0.3	16.2	16.3	(0.1)	-0.6%
Utility Consumption Tax	0.5	0.6	(0.1)	4.5	4.5	-	0.0%
Board & Care Revenue	2.1	2.2	(0.1)	20.1	17.4	2.7	15.5%
Beer Tax	0.8	0.8	-	9.8	9.8	-	0.0%
Other	4.8	5.1	(0.3)	39.8	40.6	(0.8)	-2.0%
Transfer from Lottery Commission	5.4	7.8	(2.4)	48.1	43.7	4.4	10.1%
Transfer from Racing & Charitable Gaming	0.4	0.5	(0.1)	2.2	2.4	(0.2)	-8.3%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.3	-	0.3	17.0	17.8	(0.8)	-4.5%
State Property Tax	363.7	363.1	0.6	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	615.5	589.2	26.3	1,585.4	1,546.5	38.9	2.5%
Net Medicaid Enhancement Rev	-	4.6	(4.6)	70.8	60.5	10.3	17.0%
Recoveries	0.6	0.8	(0.2)	3.2	4.6	(1.4)	-30.4%
Total Receipts	\$ 616.1	\$ 594.6	\$ 21.5	\$ 1,659.4	\$ 1,611.6	\$ 47.8	3.0%

All funds reported on a cash basis, dollars in millions.

## General and Education Funds

## Year-to-Date Comparison to Plan

General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 174.7	\$ 179.0	\$ (4.3)	\$ 37.2	\$ 38.2	\$ (1.0)	\$ 211.9	\$ 217.2	\$ (5.3)	-2.4%
Business Enterprise Tax	50.6	44.2	6.4	98.2	88.4	9.8	148.8	132.6	16.2	12.2%
Subtotal Business Taxes	225.3	223.2	2.1	135.4	126.6	8.8	360.7	349.8	10.9	3.1%
Meals & Rentals Tax	184.4	175.1	9.3	6.0	5.8	0.2	190.4	180.9	9.5	5.3%
Tobacco Tax	87.1	89.0	(1.9)	65.8	72.7	(6.9)	152.9	161.7	(8.8)	-5.4%
Transfer from Liquor Commission	99.7	102.8	(3.1)	-	-	-	99.7	102.8	(3.1)	-3.0%
Interest & Dividends Tax	39.6	35.1	4.5	-	-	-	39.6	35.1	4.5	12.8%
Insurance Tax	92.3	85.8	6.5	-	-	-	92.3	85.8	6.5	7.6%
Communications Tax	47.8	61.1	(13.3)	-	-	-	47.8	61.1	(13.3)	-21.8%
Real Estate Transfer Tax	47.1	41.1	6.0	23.9	20.4	3.5	71.0	61.5	9.5	15.4%
Court Fines & Fees	9.6	10.2	(0.6)	-	-	-	9.6	10.2	(0.6)	-5.9%
Securities Revenue	16.2	14.5	1.7	-	-	-	16.2	14.5	1.7	11.7%
Utility Consumption Tax	4.5	4.5	-	-	-	-	4.5	4.5	-	0.0%
Board & Care Revenue	20.1	15.5	4.6	-	-	-	20.1	15.5	4.6	29.7%
Beer Tax	9.8	10.1	(0.3)	-	-	-	9.8	10.1	(0.3)	-3.0%
Other	39.8	42.5	(2.7)	-	-	-	39.8	42.5	(2.7)	-6.4%
Transfer from Lottery Commission	-	-	-	48.1	48.5	(0.4)	48.1	48.5	(0.4)	-0.8%
Transfer from Racing & Charitable Gaming	-	-	-	2.2	3.0	(0.8)	2.2	3.0	(0.8)	-26.7%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	17.0	15.4	1.6	17.0	15.4	1.6	10.4%
State Property Tax	-	-	-	363.7	363.1	0.6	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	923.3	910.5	12.8	662.1	655.5	6.6	1,585.4	1,566.0	19.4	1.2%
Net Medicaid Enhancement Rev	70.8	104.8	(34.0)	-	-	-	70.8	104.8	(34.0)	-32.4%
Recoveries	3.2	3.1	0.1	-	-	-	3.2	3.1	0.1	3.2%
Total Receipts	\$ 997.3	\$ 1,018.4	\$ (21.1)	\$ 662.1	\$ 655.5	\$ 6.6	\$ 1,659.4	\$ 1,673.9	\$ (14.5)	-0.9%

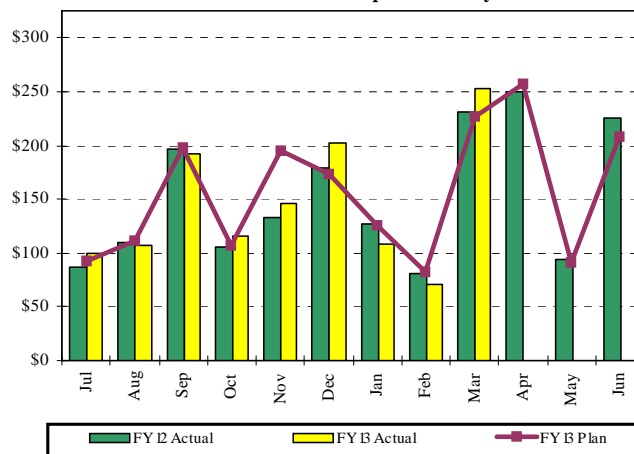
Note: The above amounts do not reflect \$11.9 million of Medicaid Enhancement Tax collected year-to-date, and \$1.0 million of Interest & Dividends revenue delayed due to system implementation issues, which were both attributable to FY 12 and not included in the FY 13 plan. Also, \$2.0 million of Insurance Tax is not reflected as amount is estimated to be fiscal 2014 revenue.

**Education Trust Fund  
Statement of Activity - FY 2013  
July 1, 2012 to March 31, 2013**

Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	662.1
Expenditures Education Grants & Adm Costs	(959.2)
Ending Surplus (Deficit) - unaudited	\$ (297.1)

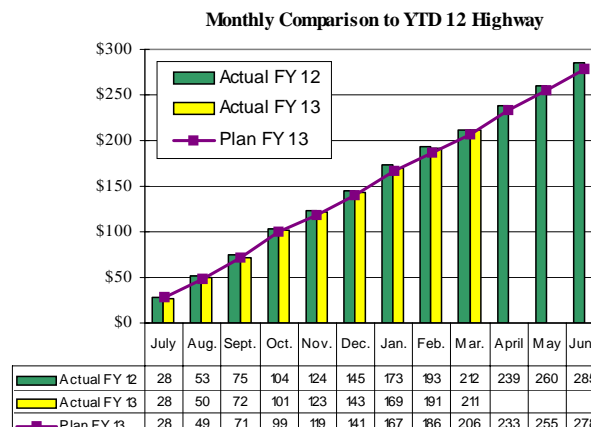
Fiscal 2013 Adequate Education Grant payments of \$578.7 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. The FY 2013 budget anticipated a deficit of \$130.5 million, to be covered by a General fund transfer at year end.

General & Education Funds, excluding State Property Tax  
FY 13 vs. FY 12 Comparative Analysis



## Highway Fund

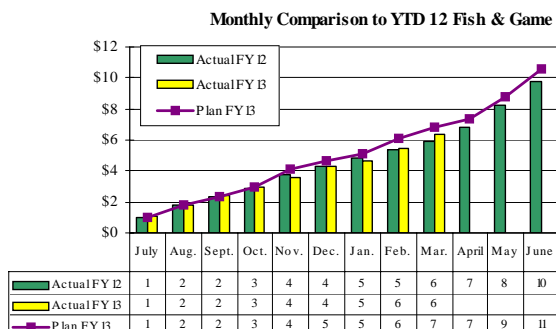
Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 93.2	\$ 94.1	\$ (0.9)
Miscellaneous	36.4	31.7	4.7
<b>Motor Vehicle Fees</b>			
MV Registrations	55.9	54.3	1.6
MV Operators	9.5	9.0	0.5
Inspection Station Fees	2.7	2.8	(0.1)
MV Miscellaneous Fees	8.0	8.9	(0.9)
Certificate of Title	5.6	5.4	0.2
<b>Total Fees</b>	<b>81.7</b>	<b>80.4</b>	<b>1.3</b>
<b>Total</b>	<b>\$ 211.3</b>	<b>\$ 206.2</b>	<b>\$ 5.1</b>



According to Road Toll Operations, actual fuel consumption is down approximately 0.5% over the same period last year, and is tracking slightly below estimates due to economic conditions and more fuel efficient vehicles. YTD Highway Fund revenues are 2% above plan and according to the Department of Transportation, the **Miscellaneous** category benefited from higher than anticipated receipts of cost reimbursement (revenue) for Federal projects.

## Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 5.1	\$ 5.6	\$ (0.5)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.4	0.5	(0.1)
Federal Recoveries Indirect Costs	0.8	0.6	0.2
<b>Total</b>	<b>\$ 6.4</b>	<b>\$ 6.8</b>	<b>\$ (0.4)</b>



The year to date revenues are below plan due to the lower number of licenses being sold.

### Continued from page 1

**Real Estate Transfer Tax** receipts were equal to plan and slightly below prior year. DRA notes that although the number of real estate transactions reported by the Counties for February 2013 was approximately 8% lower than February 2012, the County-related revenue reduction was significantly offset by an increase in other real estate tax collections.

**Other** revenue for the month was lower than plan by \$1.1 million, bringing YTD results to \$2.7 million (6.4%) below plan which is largely due to lower than expected recoveries of indirect and post retirement costs from federal and other programs, as well as, other fees.

In March, the state reported, under its collection arrangement with municipalities, \$363.7 million of **State Property Taxes** (see Education Trust Fund analysis). This is a major funding source of Adequate Education Grants which are paid to Municipalities and School Districts.

All funds reported on a cash basis, dollars in millions.

### Sales of Cigarette Stamps

Total sold June through March for each of last six years \*

(number of stamps, in thousands)

Prepared from data provided by DRA

Year	Sales of Stamps	Volume Change	Percent Change
2013	96,716	(5,977)	-5.8%
2012	102,692	(2,706)	-2.6%
2011	105,398	(4,170)	-3.8%
2010	109,568	(18,041)	-14.1%
2009	127,609	(679)	-0.5%
2008	128,289		

\*Analysis period intended to smooth the effects of July rate changes  
Stamp counts include all days through the end of the month, while cash collections are one day after.

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